

ORIGINAL

OPEN MEETING AGENDA ITEM

Exceptions to the recommendation of the Administrative Law Judge



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DOCKET NO. S-20651A-09-0029

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AZ CORP COMMISSION
DOCKET CONTROL

EXCEPTION

Extortion, abuse of power, dirty tactics, lies and intimidation.... no it's not the mafia but our own state government! This is a threat to the economic health of the state and a cancer attacking our democracy.

This state agency is waging war against entrepreneurs and small businesses, when the state should be helping entrepreneurs and small business grow and do what they do best - create innovation, jobs and generate revenues and taxes.

On 2-26-2009 I attended an informational hearing by the Arizona Corporation Commission Securities Division. It turned out to be an inquisition. I was faced with angry intimidation tactics by their counsel Wendy Coy and a silent associate (her name is being blocked and illegally withheld). I was threatened with felony charges, for what - they refused to tell me. Later I learned that Wendy Coy very deviously had ordered the court reporter to be off the record every time she threatened me. They said I must pay their \$5,000 fine or face felony charges. They attacked me and tried to trick me throughout this supposed hearing. There was no interest in the truth or providing me with information like law abiding government agencies do.

After months of hard work, I finally managed to determine what the false charges against me are. When I checked the laws and interpretations on the Securities Division's own website, it became very clear they had no authority to charge me with any felonies. I found out that these charges were completely baseless. They said I had to register, while both Federal SEC rules and State laws allow for exemptions in my case where I am offering investments in my own company to only wealthy/savvy accredited investors. They also falsely claimed I was acting as an unregistered broker, when in fact I am the owner of the company who makes no commission. On both their civil administrative charges, by their own definition in fact I have not violated any laws or rules whatsoever. I am just an honest entrepreneur and artist who is trying to raise money for his project. This is what we are supposed to do in a free capitalist country. The Securities Division is acting like we are in the old Soviet Union, but this is America and we are still a free country. All our freedom is threatened by government agencies that are arrogant and out of control. The Securities Division has no interest in finding the truth, only collecting their fines. Government is supposed to serve and protect the people not destroy good innocent people and their dreams!

Clearly the Securities Division made illegal threats to pressure me to pay the fine. It almost worked. I was very scared, confused and shocked. Normally a company would cave in and pay the fine even when innocent because it is easier and cheaper than fighting it. That is their illegal and immoral tactic. That is a text book definition of extortion. Abusing the power of the State and a team of lawyers against innocent entrepreneurs is reprehensible and dangerous. Naively I was honest with my inquisitors, because I thought they wanted the truth. But as soon as I told them I could not afford an attorney they became like hungry sharks smelling the blood. I submitted a great deal of sensitive personal information to these criminals to prove I could not afford it. All they did was lower the fine to \$1,000. Well that might as well have been a million to me and my financial statements proved that. Why should I have to be in debt or starve to pay a fine for false charges? They have no interest in the truth or getting compliance, it is all about fines and prosecution. Threat, lies and intimidation to get money and win at all cost - this is the ethos and morality of the Arizona Corporation Commission Securities Division.

Since they now know I cannot afford an attorney they continue to play dirty tricks and block me from being able to show the truth and defend myself. The judge at first suggested mediation, but the Arizona

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Corporation Commission Securities Division refused and from that point the judge has done nothing to protect my legal rights. I have asked for the names and contact information for several key witnesses that are essential to the truth and will prove my innocence and the extortion by the Arizona Corporation Commission Securities Division. Over and over I have made motions, while attending college fulltime, to get basic information I must have to defend myself. Yet they continue to fight my motions instead. This proves they have no interest in the truth. Why try to confuse me and not know the charges. Why block witnesses? Why not seek the truth and justice? Why must they threaten and lie and cheat? If the Securities Division is ever investigated I am certain you will find others who are innocent like me that were threatened and extorted for fines. I am all for laws to protect investors and grandmas of their savings, but most business people and entrepreneurs are not criminals. There is nothing wrong with a business owner trying to find investors for his or her business. I have very carefully and strictly followed SEC Regulation D practices even though they are very restrictive, unjust and unfair to normal and middle class people who cannot afford all the vast attorney fees for a stock offering. Entrepreneurship is not immoral or illegal, yet that is how the Arizona Corporation Commission Securities Division treats us.

The Arizona Corporation Commission Securities Division continues to deny me due process and basic legal rights guaranteed by the US Constitution to be able to confront my accusers and question essential witnesses. The immoral scoundrels at the Securities Division continue to block information I need to defend myself. They continue to cover up their illegal extortion efforts and try to exploit their close relationship with the judge, my lack of legal knowledge, and my inability to hire an attorney in order to abuse their power with lies, threats, continual efforts to block witnesses and hide the truth, and hide their evil attempts at extortion.

When a government agency ruthlessly, callously, and continuously abuses its power and unjustly persecutes a law abiding citizen merely trying to fulfill her or his dreams and create much needed jobs, it is not only morally despicable but a threat to freedom and a cancer infecting our fragile democracy.

There can be no excuse and no justification for threatening me with felony charges unless I paid a \$5,000 fine when I did nothing wrong and when the division has no authority to charge a felony for their trumped up charges. This is the text book definition of extortion! There can be no excuse and no justification for blocking the names and contact information of witness I must have to defend myself. This is abuse of power. The behavior of the Securities Division is outrageous. This agency is out of control and must be stopped!

I am asking you to do the right thing. I ask you to be a moral leader and protect our democracy. Investigate the extortion, lies, abuse and intimidation by the Arizona Corporation Commission Securities Division.

There are more disturbing and outrageous facts and points in the story I can provide you.

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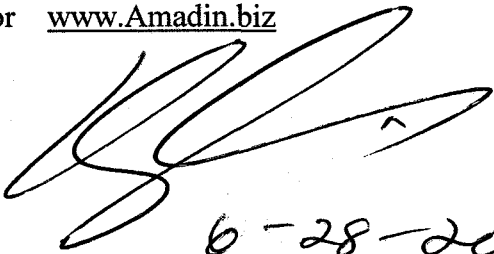
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Contact me with any questions or to get PDF files of motions and other documents.

Sincerely, Kyle Schmierer writer-producer-director www.Amadin.biz

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